newspaper columns to a defence of his last year's measures and general ideas of Southern

restoration, including some beautiful extract

from Washington's Farewell Address and from

of State rights and the powers of Congress, and

then he drops the subject. It is an argumen

to the court after the jury had rendered their

verdict. It may be compared to a history of

France, omitting the revolution which over-

threw the Bourbons—as a trivial matter not

worth mentioning in pleading their claims to

It is indeed remarkable that after deliber-

ately submitting his Southern policy against the plan of Congress to the people in the late elections the President should not have a

word to say of the will of the people, as made

manifest in these elections. He talks of "the

ancient landmarks," as if none of them had

been swept away by the late Southern deluge

of fire and blood, as if the war had changed

nothing and as if the recent elections had

decided nothing. In a word, Mr. Johnson for-

gets that we have passed through the flery

ordeal of a mighty revolution and that the

pre-existing order of things is gone and can

return no more—that a great work of recon-

struction is before us, and that we cannot

escape it. Taking it for granted, bowever,

that this superfluous argument of the Executive on his exploded policy is only an ingenious

device, with his colors flying, for turning over

the whole matter absolutely into the hands of

Congress, where it belongs, we may dismiss

this branch of the Message without further

Passing over his summary of the depart-

mental reports and the recommendations in

connection therewith, the President's brief

statement of our relations with England and

France next challenges our attention. He

says "it is a matter of regret that no consid-

erable advance has been made towards an

adjustment" of our difficulties with England.

arising from Anglo-rebel depredations upon

our commerce during our late civil war; but

he thinks the delay in this matter may be

charged "in no small degree" to the embar-

rassments resulting from the late change in

the British ministry; and he expects that as

the attention of the new ministry has been

called to the subject, it " will be now taken

up and considered in a becoming and friendly

spirit." In regard to France, it appears that,

expecting the removal of the November instal-

ment of the French troops from Mexico, as

promised by Napoleon, our new Minister to

Mexico, Mr. Campbell, with General Sherman

as his confidential adviser, was sent off on the

9th of November to look up the republic,

under the impression that with the exit of

the first instalment of French bayonets the

republic would displace the empire. It

further uppears, however, that on the 22d of

November information was received from

France that Napoleon had decided not to

withdraw his first detatebment, as promised.

in November, but to wait and withdraw the

whole of his troops in the spring. Hence the

late despatches to the French government re-

monstrating against this nonfulfilment of Na-

No answer to this despatch, we infer, has

been received. Thus, then, the matter stands

Mr. Campbell and General Sherman, sucking

oranges, are awaiting at Havana the retiremen

of Maximilian with the first instalment of the

French troops before venturing into Mexico,

while "poor Max" is forcibly detained by Mar-

shal Bazaine, and the French troops are kept

in the country intact for some ulterior purpose.

proposition from France for "a mutual conven-

tion for the adjustment of all claims of citizens

and subjects of both countries arising out of

the recent wars on this continent." This

proposition is thought not unreasonable; but it

is turned over to the consideration of Congress

We conclude that Napoleon is holding his army

and his man Maximillan in Mexico in order

through some arrangement with the United

States, to get certain claims fixed upon the re-

public as the price of his withdrawal

of the empire. There may be even deeper

designs than this contemplated by the French

Emperor. His former entente cordiale with England, which seems to be now revived, may

result in a common purpose between those two

Powers to arrest the growing influence of the

United States in the British provinces, the

Spanish American States, and the West India

Islands; for the empire of the seas is involved

in this American balance of power and the

conflict between republican and monarchical

This is a great subject, and next to the para

nount business of Southern reconstruction,

should command the attention of Congress

Mr. Seward, in his efforts to solve our foreig

difficulties, has signally failed, and the admin

istration falls back upon Congress. Indeed

the gist of the Message may be summed up

in the simple remark that it turns over to

Congress the settlement of our domestic and

our foreign troubles, and we can only hope

that the two houses will rise to the demands

of the crisis and prove equal to the task

NEW HAVEN JOURNALISM ON STARS .- The New

Haven papers are worthy pupils of the great

They do not believe yet that there was a

meteoric display in England the other day, and

they are pitching into us for saying so and

proving it. As for the Professor himself, who

cannot discover anything less than a "spurious

despatch," he is a very St. Thomas Didymus in

scepticism. He won't believe because he didn't

see, and he is waiting until the meteors come

over to New Haven to exhibit themselves for

his special illumination. Even then he would

not think the affair "much of a shower after

all." Meantime the New Haven newspapers swear by this purblind astronomer and abuse

A FRENCH PRIME POR AMERICAN YACHT-

MEN.—Our Paris correspondent informs us that the Paris Yachting Club has ordered a gold

astronomer of Yale College, Professor Loom

assign ed them.

the HERALD.

poleon's pledge in the premises.

remark.

Jefferson and Jackson, in support of his the

NEW YORK HERALD.

JAMES CORDON BENETT. EDITOR AND PROPRIEDE

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TONY PASTOR'S OFFICA HOUSE. 291 Severy COALISM-NEGRO MISSTRELSY RALLEY DEVERTI C.—HEART OF EMIN, OR THE MES OF '88. CHARLEY WHITE'S COMBINATION TROUPE, Mechanics' Hall, 472 Broadway—IN A VARIETY OF LIGHT LAUGHARD ROTESTAINMENTS, COMP. DE BALLET. LA STATOR COMPUCE.

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TRIPLE SHEET.

New York, Tuesday, December 4, 1866.

THE MEWS.

EUROPE.

By special cable telegram from London, dated vested ay afternoon, we learn that the outdoor demonstration the trade societies in that city in support of the re form movement constituted one of the most imposing and significant political manifestations witnessed for aps in modern times, in Great Britain There were fifty thousand men in the line of march, with bands and banners, after the American fushion. The people were addressed from seven stands, and there were about fifty popular speakers. The Fenian element was strongly represented, and the fing of the Stars and Stripes was borne aloft to the music of the "Wearing of When our despatch closed the city re Two Eaglish regiments had sailed from Liverpool for

Count Bismarck has returned to Berlin. He received

deputation from Schleswig-Holstein.

A private cable despatch from Paris was received in day, which says in effect that "no direc reply has yet been transmitted by the French government to that of the United States upon the subject of the immediate withdrawal of the troops from Mexico, or in instalments, as was proposed by M. Drouyn de Lhuys. Mr. Seward, in his despatch, has remonstrated against the neglect, and asks for the prompt fulfilment of the promise, which was received by the United States in good faith, and in the expectation that it would be ful-lied. His remonstrance, however, was wholly free from threat, though decided and earnest in its tone. That any difficulty will grew out of it is not believed in quarters here where the lengthy message to Mr. Bige low, so far as its general character is concerned, is fully

Cousois declined to 88%, for money, in London, yes-terday. At the opening United States five-twenties were at 70%. The market closed dull for United States bonds, dve-twenties of 1862 at 70 7-16, and of 1865 at 69%.

The Liverpool cotton market was very firm at the lose, with middling uplands at fourteen pence. Bread-

stuffs were very active at noon.

By mail we have our special correspondence from Dublin and Paris, with newspaper files, dated to the 21st of November, and publish important details of our cable

CONGRESS.

The second session of the Thirty-ninth Congress

In the Senate, the credentials of several new mem-pers were presented, two of them from Texas. The redentials of the latter were ordered to lie upon the ions to the effect that the hours of ing be twelve o'clock, until otherwise ordered, was adopted, and Mr. Sunner moved to call up the biti regulating the elective franchisic in the District of Columbia, but on a versus control of the district of Columbia, but on a reference to the rules it was decided that it could not come up until after the sixth day of the that it could not come up unit after a state day seemen. A bill was presented by Senator Sherman to prevent i legal appointmenta to office, which provides in substance that no salary shall be paid to any one who has been appointed to office by the President during the recess and after his rejection by the Senate and any person preparing or making such appointments, or holding an office after his rejection by the Senate, shall be deemed guilty of a misdemeanor and be subject on conviction to fine or imprisonme This bill and one regulating the tenure of offices were laid upon the table till the committees are appointed dent's Message was received at twenty minutes of two and read, whereupon three thousand extra copie of it were ordered to be printed and the Senate ad

In the House, after the usual preliminaries on reassembling, a bill repealing the section of the act of July
17, 1862, which authorizes the President to extend par don and amnesty to persons engaged in the rebellion, was passed, the rules being suspended. A bill to provide for the sale of gold was referred to the Committee on Ways and Means. Mr. Schenck introduced his bill to fix ways and mean.

It is meeting of the Fortieth Congress for the 4th of March next, and after being read twice it was made a special order for December 11. Mr. Stevens, of Pennsylvania. introduced a bill to regulate removals from office. It pro vides that if any person is appointed by the President to perform the duties of an officer who is suspended, and such person shall not be confirmed by the Senate, he shall be declared incapable of holding office under the government for three years after such rejection. The bill was made a special order for Friday. Mr. Lawrence compensation act for members of Congress, but the House refused to suspend the rules. The Judiciary Com-mittee was instructed to report a mode of proceeding for trial of cases of impeachments before the Senate. Mr. trial of cases of impeachments before the Senate. Mr. Schenck introduced a bill to equalize the bounties of s, sailors and marines, which was referred Committee on Military Affairs. Mr. Stevens to the Committee on Military Affairs. Mr. Stevens-moved to adjourn without waiting for the Presi-dent's Message, and, on its being received, moved to postpone its reading until to-day. The motion was rejected, and the reading of the Message was com-moved to postpone the further reading till to-day. The reas and mays were called, and resulted in 64 yeas to 66 mays. The reading of the Message was then concluded,

mays. The reading of the Memage was then concluded, and the House adjournment the republican members assembled near the Eastern portico, where they were welcomed by the various republican organizations of Washington City. Judge Carteridelivered the welcoming address, and Speaker Coffax replied. A banquet was given in the evening, at which Thad. Stevens, Senstor Howard

and others made speeches.

The President's Message and the reports of the Secretary of the Treasury, the Secretary of War and General THE CITY

A large fire took pines in Walker and Chuni streets last evening, whereby two houses were completely burned and five others more or less injured, with a total loss of about \$250,000. Five mon engaged as workmen in one of the houses are missing, and three of them are supposed to have been burned to death.

The statements regarding the loss of the Kate Dyer off Fire Island, and the benchart of the steamer Scotland are conflicting, the passengers of the different vessels giving very different accounts of the collision. The condition of the Scotland is a critical one. She is ashore near Sandy Hook, full of water, and the impression pre-

valis that unlose invorance weather continues for two days longer she will be a total loss. During the week ending last Saturday evening there were four hundred and twenty-two deaths in this city, being a large increase over the number reported for the

he Church of the Transfiguration, Mott street, by Rev. and, before a very large audience.

The Church of the Divine Paternity (Dr. E. H. Ch

ras dedicated to the service of God by appropriate exercises yesterday. The building is of ample dimensions, is
built of Belville stone and brick in the perpendicular
gothic style of architecture, is handsomely finished, and
is capable of senting over sixteen hundred persons.

Owing to the Charter election taking place to-day, no
business will be transacted in any of the courts.

amnow will be transacted in any of the courty.

The New York and Westchester County Railroad Com
any made an attempt to lay a railroad track through
earl street yesterday, and succeeded in breaking ground the pavement. They were served with while at their labors, however, and the

The December term of the Court of General Se ned yesterday, and four cases were tried. James inson pleaded guilty to burglary in the third degree George Mier, charged with burgiary, was sent to the Penitentiary for a year. John Wilson and Michael Mackin were acquitted of the charge of stealing small the 12th inst.

Greatrex of having manufactured forged notes on the Union Bank of Scotland, at Glasgow, was resumed yes terday. The evidence for the prosecution has closed Mr. George M. Curtiss, for the defence, submitted tha no case had been made out for the extradition of the natter till Thursday.

There were some thirty persons arraigned before Judge smalley in the United States Circuit Court, yesterday on charges of uttering and passing counterfeit fractional currency and compound interest notes. They pleaded not guilty, and Monday next was appointed for the com-

nencement of trial in the several cases.

The stock market was bueyant yesterday. Gold of

at 140% a 141.

The amount of business transacted yesterday was limited, though the markets generally were not essentially changed, previous prices being sustained for both foreign and domestic increhandise. Cotton was more active and a shade firmer. Coffee was dull and nominal. On 'Change flour was quiet, but unchanged. Wheat was dull, but steady. Corn was in limited demand, but fully lc. higher. Oats were steady. Pork was duil and lower. Beef was steady, while lard was more active, but at a slight concession. Freights were quiet. key was dult and nominal.

Rey was quil and nominal.

Beef cattle, under an improved demand and limited receipts, ruled firmer at the opening, sales being made at prices indicating an advance of fully 360 per lb., good and medium cattle bringing 13c. a 16 56c., and extra 17c., while common sold all the way from 11c. to 13c. During the latter part of the day, however, the nprovement was partially lost, though holders generall emanded full prices. Milch cows were more inquire for and higher, consequent upon the continued light supply and limited receipts. Good cows commanded \$90 a \$100, while extra sold as high as \$115 a \$125. on sold at prices ranging at from \$50 to \$75. Ven wore without noteworthy change, the market oderately active and steady at 10c. a 13c., with an occasional sale as high as 15%c. The market for sheep and lambs has not varied materially, though scarcely as firm, owing to the increased receipts, former selling at 5c. a 6 %c., and the latter at 6c. a Hogs have declined considerably under free arrivals an the absence of any demand from packers. About 5,00 head were on the market this morning, but were all dis posed of at the following prices, viz:—Best quality 6%c. a 7c., fair to good 6%c. a 6%c., and common and rong 6%c. a 6%c., and light market pigs at 7c. a 7%c. The total receipts were:—4,984 beoves, 43 milch cows, 794 yeal calves, 28,080 sheep and 15,095 swine.

MISCRLLANEOUS

The Court of Queen's Bouch, at Sweetslung, Cana da, commenced its session yesterday for the trial of the Fenians lately confined at Montreal. The charge was de livered by the Judge and the jury will probably find true bills against them to-day. Fours are again enter tained of a raid from the Vermont border. Rev. Joh McMahon, one of the condemned Canadian printed has written a letter to a friend in this city explaint

reasons for not pleading "guilty" at the trial.

We have flee from Bermuda dated November 20. from St. John, N. B., and the British war vessel Favor and the first ever seen at Bermuda. She will remain there during the winter months. Governor Ord was about to embark for Singapore, of which he had been appointed Governor. It is again proposed to unite the Bermuda islands with Nova Scotia, and also with the

Bermuda islands with Nova Submarine telegraph.
West Indies and Trinidad, by submarine telegraph. A rumor was prevalent in New Oricans , yesterday to the effect that Maximilian had accepted the proposition of the conservatives and reformed to Mexico city and also that the commanding officer of the United States troops on the Rio Grande had received instructions not to interfere in Mexican affairs unless ordered from head-

were arrested in Jersey City on Friday, charged with the robbery of United States bonds at Buffalo to the amount of \$23,000, besides \$500 worth of jewelry. They were taken to Buffalo for trial.

A fire occurred at Oil City, Pa., on Sunday night, in he house of John Donohue, by which an old man aged one hundred years and two others were burned to death The schooner M. Ballard was wrecked in Lake Ontario on Friday morning, and the captain and eleven men

Governor Marvin has been re-elected United States for Florida. The Virginia Legislature met vesterday at Richmond.

but in consequence of no quorum being present, did no In the Tennessee House of Representatives yesterday bill to establish free common schools in the State was

indefinitely postponed. The First Day of Congress.

The first day of the second session of the Thirty-ninth Congress was "big with the fate of Caesar and of Rome." First, there was a procession of the republican city clubs and reedmen in honor of the two houses. Nextafter the call of the roll of the House, an orthodox radical prayer from the Chaplain and the reading of the message, in spite of a motion of the implacable Stevens to postpone it till to-day a bill was rushed through-111 to 29-repealing the thirteenth section of the amnesty act, authorizing the President to grant pardons, and was sent over to the Senate. where, by an objection interposed, it was laid over for one day. This bill does not look well for Greeley's programme of a universal amnesty for impartial suffrage ; but what it really

Next, Mr. Boutwell brings in his bill direct ing the Secretary of the Treasury to sell two millions of gold every Monday, and Mr. Schenck brings in his bill providing for the assembling of the first session of the Fortieth Congress on the 4th of March, both of which will doubtless be passed, the latter without much loss of time. "If such things come in the green tree, what shall we have in the dry?" We may expect the most exciting, eventful, momentous and protracted section of any legislative body sizes the Leng Parliament.

signifies will doubtless soon appear.

American yachtmen have surpassed the anti-cipations of the Parisians and decided to sail their race in 1866, the medal will be completed The President's Meange is before our readers. They will find it, as an exhibit of the working of the several Executive Departments in time for the winner of this sw turing the last year, an interesting, instructive Now let our Yacht Club add a gold cap to and satisfactory State paper, while upon the the French medal. great issue of Southern reconstruction it reads like a chapter from "The World before the Deluge." Mr. Johnson devotes two tedious

The Report of the Secretary of War-The Reports and Sub-Reports of Military Departments.

The report of the Secretary of War is a plain well written document, containing in as brief a space as practicable a compact and well arranged history of the business and operations of that Department during the past year. The reduction of the army has been going on as rapidly as circumstances will permit, and there has been, of course, a corresponding retrench-ment of expenditures. There are now only a little over eleven thousand volunteers, white and colored, left in the service; but the Secretary minds the country that, should any national emergency arise, past experience proves that an army of the full strength of a milli could be organized with all necessary swiftness. The importance of speedily providing the army with breech loading small arms of the best pat tern has been recognized by the government field rifle can be altered into a breech loader and become a better arm in all respects than the Prussian needle gun. This is no doubt s fact, since the latter arm bas been much overestimated. With these improved breech loaders the efficiency of the regular army of the United States will be much increased.

The total estimate of military appropriations for the fiscal year ending June 30, 1868, is \$25,205,669

The Secretary's report is confined to the business of the Department—the expenditures of the different branches of the service, the progress of works of defence, the operations of the Freedmen's Bureau and other interesting details. It is accompanied by reports from the commandants of the military departments and of their subordinate officers, transmitted by General Grant, all of which contain matter of

General Grant explains that the regular army, which has now almost entirely replaced the volunteer force, has been mainly employed during the past year in service along the constantly extending frontier and in insuring the execution of the laws and protecting life and property in the lately rebellious States. Indian lities have, however, diminished with the expiration of the rebellion, and the lawless class at the South has been much smaller than could have been expected after a civil war of such magnitude, although sufficiently formidable to justify the presence of a military force. General Grant suggests the abolishment of Indian agencies and the transfer of the Indian Bureau to the War Department-a policy which, we have no doubt, would be beneficial to the Indians as well as to our government In a great many instances these agencies have red man and the white, and have lain at the oundation of most of our Indian difficulties.

Lieutenant General Sherman, who has had nd of the military division of the Mis souri for the past year, unites in this recommendation to place the entire management of the Indians under the control of the military authorities, and gives good reasons for such a policy. His report is brief, but contains an interesting account of the measures by which he hopes within the next year to overcome some of the difficulties that have presented themselves in the past within his important division, so that the important work of the Pacific Railways and the general onward march of civilization and improvement may not suffer from the depredations of the savage.

The reports of Generals Pope, Halleck, Mc Dowell and Steele relate mainly to Indian affairs. General McDowell believes the main difficulty in the District of California to be with the whites more than the Indians, and natives with utter impunity. Here, we submit, is a chance for our philanthropists, now that they are about to lose the negro as an object of sympathy.

General Meade makes a report of his operations on the frontier in connection with the Fenian movement against Canada, and shows that but for his prompt action our Canadian neighbors might have witnessed the sight of nore of their "Queen's Own" in the neighborbood of Montreal running away from the bayonets of the terrible Feuiana.

The report of Phil Sheridan is-like Phil Sheridan. It reads with all the snap and fire ot one of his cavalry raids. The surrender of the rebel commander, E. Kirby Smith, bore upon its face, he says, the evidence of double dealing. His real object was to get security for the Arkansas, Louislana and Mississippi roops to return to their homes in safety, while the Texans, who made a constant boast that they were not conquered, and that they would renew the fight at some future day, declined to surrender and returned to their homes, destroying magazines on their way and carrying off the arms and ammunition from the differ ent arsenals. Sheridan tells us that it was the original intention of this branch of the rebel army to organize a column of fifteen thousand confederates at Marshall, Texas, under Jeff Davis, for the invasion of Mexico. The capture of Davis spoiled this scheme

Sheridan makes no concealment of his sym pathy with the Mexican republicans and regards Maximilian's imperial rule as only the "history of the buccaneer Morgan," on an extended scale. The presence of the large Union force in Texas and on the Rio Grande, the General believes, settled Maximilian's business, and be advances the opinion that if a demand had een made twelve months since for the withdrawal of the imperial troops on the ground that the invasion of Mexico was a part of rebellion, it would have been successful, and the sufferings of that country would the soon have ended.

The condition of Texas itself is not repre sented as very promising. Pride in the rebelion is the standard of loyalty, and the Unio soldiers are in bad odor. "My own opinion," says Sheridan, "Is that the trial of a white m for the murder of a freedman, in Texas, would be a farce; and, in making this statement, make it because truth compels me, and for no

other reason. The troubles in New Orleans are di with a brief notice, and the General evidently medal, bearing the arms of the club, to be pre-sented to the winner of the Atlantic race. We because that this medal was griefacilly for looks upon Governor Wells as a political demagogue, anxious to retain office by any

candidate be filled vacancies in office through the State with returned confed order to advance his own chances of ele "I only speak of it now," says Sheridan, cause it led afterwards to bitterness and shed ding of blood, in which the military were to ome extent involved." The whole report of General Sheridan will be read with interest.

Major General Thomas confines himself to itting the sub-reports of the officers in his department of the Tennessee. General Wood, from Mississippi, gives a good general account of that State, alleging that substantial justice is now administered throughout the State by the local judicial tribunals to all classes of persons, irrespective of color or antecedent political opinions. He admits, however, the presence of a great deal of crime and that many outrage have been suffered to pass unpunished. The labor question has of late presented a more g attitude, since the freedmen have seen taught that freedom is not licentle The contract system is regarded as the best, both for the employer and employed, although som of its details are unjust and oppressive. crops are almost a total failure. Reliable information goes to show that the corn grown in the State will not feed the people until the first of January, and the cotton made will not repay the cost of production.

In Kentucky General Jeff C. Davis reports the only trouble is in the increasing number of "guerillas" and "negro regulators," whose lawless acts have necessitated the more active interference of the military.

The report of General Daniel E. Sickles on

the Department of the South is hopeful in its tone. There is a marked improvement in the condition of affairs, both as regards the administration of justice and the question of free labor. In this respect the Department Commander differs from the Governor of the State, whose recent message to the Legislature was full of gloomy apprehensions and of sullen murmurings against the attempt of the "conquerors of the South" to "further humiliate and degrade" her people. So far as free labor is concerned, General Sickles quotes the remark of the Colonial Governor of Jamaica in 1835:-- "Wherever the planters wish the thing to succeed it is successful." We have no doubt there is sound truth in this, and that the main difficulty in the way of the entire success of the free labor system may be found in the stiffnecked obstinacy and stubborn prejudices of

the old slave-owning secessionists. There is one portion of General Sickles' report which will be read with satisfaction. It ormation has reached him that General Wade Hampton recently delivered an address before an association of rebel soldiers, in which he spoke of the government and armies of the United States in a manner well calculated to incite discontent and hostility in the minds of the people. "I have directed an inquiry into the matter," says General Sickles, " in order that the association of rebel soldiers may be suppressed and General Hampton admoni to observe the terms of his parole." This is a good move in the right direction.

The Great Reform Demonstration in London Yesterday.

We were not unprepared to flud that the great John Bright reform demonstration in London, yesterday, had assumed a strong democratic character, nor that evidences of Fenianism were discernible throughout the whole proceedings. The recent action of the British government in countermanding the order to send the English militia regiments to Ireland, and the evident panic which has seized upon the authorities, proves that there s quite as much danger from the Feniar movement in England as in Ireland. Accord ing to our special despatch from London received by the cable last night, there were fity thousand people in the procession yes terday, in which forty-seven trades societies and several branches of the Reform League participated. Forming in St. James Park, this immense body of men marched through states that white men shoot and maltrent the the principal thoroughfares of the city to Beaufort House, where fifty prominent leaders of the movement addressed a mass meeting from seven stands. There was no disturbance. The military were closely confined to their barracks. and no collision was possible, even if it was desired. But the most significant point in the proceedings was that the Stars and Stripes of America were carried conspicuously among the banners and the people marched to the music of bands playing "the Wearing of the Green, through Pall Mall and Piccadilly and the arists

cratic quarters of the West End. Our despatch is dated in the afternoon vesterday, at which time the meeting was still progressing, without any symptoms of disturb ance, although the most intense excitemen pervaded the entire metropolis. Upon the whole the event was regarded as the most significant public demonstration which has taken place in London for many years. It may be accepted as a token of popular unity and popular discontent of a most menacing character to the government.

THE CAPTURE OF JOHN H. SCREATT-OUR LATE SPECIAL DESPATCH FROM ROME.-IL Appears from a despatch received at the State Department, Washington, on Sunday night last, and dated the same day at Alexandria in Egypt, and from Mr. Hale, United States Consul General in that quarter, that he had "arrested John H. Surratt, one of President Lincoin's assassins," and that there was "no doubt of identity." From this official information and the Roman correspondence published today, our late special despatch from Rome. announcing the detection of Surratt as a sol dier in the Pope's Zonaves, his arrest in the Pontifical States and escape, is confirmed: for we conclude that, finding Italy too bot to hold him Surratt lost no time in escaping in some fishing smack or trading vessel to Egypt. We waited with confidence, as in regard to the meteoric shower in England, the confirmation of this special despatch from Rome, and it has arrived, as did the celestial attestation, in due time. As for the wretebed Surratt, he will probably be brought back to the United States in one of our vessels of war of the Mediterranean squadron by orders from Washington.

THE CHARTER ELECTION IN NEW YORK TO-DAY .- There is to be an election to-day for Comptroller, but whether it is for New York. New Cork, New Dublin or New Erin we don't know exactly. The three candidates for the office are all full-blooded Irishmen, so that whoever is elected, whether he makes a good Comptroller or not, he will be a thoroughgoing Irishman at all greats. The most comprised

he is a very jovial, good fellow. About half a dozen of those in the leading offices of the dozen of Corporation are Irishmen, and we are not to turn all the Americans and Germ office and fill the places up with men from the Emerald Isle ; but there must not be a cross in the blood. They must be thoroughbred Irishmen to the backbone, like Dick and Mike.

The Report of the Secretary of the Tro In another part of the paper we lay before our readers the annual report of the Secretary of the Treasury to Congress. Making up the books of any great establishment is always a very interesting matter to those concerned, and there certainly never was a period in our history when an exhibit of our national financial condition and prospects excited greater interest than now.

The facts presented by the Secretary are highly gratifying. The figures show that we are prosperous beyond every precedent and all calculations. The receipts from all the or-dinary sources of revenue, independent of loans, for the fiscal year ending June 30, 1866, were five hundred and fifty-eight millions. For the quarter ending September 30, 1866, the amount was one hundred and fifty-eight millions. The actual income exceeded the estimates for the first three quarters of this year, beginning in January and ending in June, over ninety millions, and for the following quarters in a greater proportion. McCulloch had no idea, and perhaps few had, of the stupendous resources of the

The expenditures were two hundred millions less than estimated for the fiscal year. The enormous estimate of over three hu millions was made for the War Department before peace was fully restored and while the bulk of our armies were in service. The Department has expended only about one hundred and nineteen millions, which makes nearly the difference of two hundred millions between the estimates and actual expenditures.

The balance in the Treasury on October 1 of this year was one bundred and forty-two millions.

The public debt on June 30, 1865, less cash in the Treasury, was \$2,681,000,000. June 30, 1866, it was \$2,650,000,000; showing a net decline of \$31,000,000 for the year. But four months after, that is, on October 31, 1866, the debt was \$2.551,000,000, showing a decrease during these four months of \$99,000,000. With the present vast income of the government the debt would necessarily continue to decrease more rapidly, because nearly all of the claims for war expenses have been paid. But the Secretary says, "It is not expected, nor is it desirable, perhaps, that the same rate of reduction should be continued.'

He proposes to diminish the internal taxes leation of the tariff, which will reduce the duties on importations. He thinks the tariff should be so revised as to remove the burdens on industry, and especially on that which weighs upon the production of raw materials. He is decidedly opposed to taxing raw materials. The amount of revenue wants is only enough for an economical administration of the government and for reduc ing gradually the principal of the national should be applied in extinguishing the debt. But he says there must be economy, and, above all, there must be no additional donations to railroads and other companies. "The debt." he urges, "can and should be paid by the generation that created it." He wisely maintained that "a national debt is a burden and a severe strain on republican institutions.'

He proposes to issue twenty years' five per cent bonds, payable in England or Germany, to absorb the six per cents now held in Europe. This is very well as far as it goes; but it would be much better to consolidate the whole debt into five per cents and for a longer period. This would render the debt unifo and less expensive, as well as more simple to manage. The longer period would greater value in the transformation of stock for another, and would not prevent the government buying the debt up at any time with its sinking fund.

Some of these views are sound enough; but when Mr. McCulloch gets on his old hobby of forcing specie payments he shows that in this respect he is a man of one idea. grets that Congress did not give him more power to contract the currency. He has done all be could by withdrawing legal tenders, but the increase of the national bank currency has kept the amount of circulation much as it was when he made his last report. He regards "a redundant legal tender currency as the prime cause of our financial difficulties." cial difficulties? Where are they? Are they found in his overflowing Treasury or in the universal prosperity and active industry of the country? They are nowhere but in his imagination. The truth is Mr. McCulloch appears to be incapable of learning either from the actual condition of things or the lessons of history. He says specie payments ought to be resumed and could be by the first day of July, 1868, and he hopes the legislation of Congress will be such as to bring it about earlier. There are no financial difficulties now, nor are there likely to be under our present gradually progressive movement toward specie payments; but if an attempt should be made to carry out his theory the whole country would be plunged into revulsion and bankruptcy.

Strongly as we object to this part of the Sec retary's report, there are other portions which call for commendation. Some of these we have referred to; but we cannot close our remark without expressing the hope that Congress may act upon this recommendation to pass law for the government of our mercantile marine so that such a disaster as that of the Evening Star may not occur again.

MEXICO.

SPECIAL TELEGRAM TO THE HERALD. Rumored Return of Muximilian to Mexico Naw Ouzaam, Dec. 3, 1866.

NEW OBJESSE, Dec. 2, 1886.
There are rumors here that Maximilian has acceded to the wishes of the conservative party and returned to Mexico for the purpose of carrying on the ampire.

Special instructions have been issued to the commander of our troops on the Rio Grande with reference to Mexican affairs, the purport of which is said to be that he is can affairs, the purport of which is said to be that he is to abstain from any interference whatever in the affairs of that country, unless ordered from headquarters to do so.

FLORIBA UNITED STATES SERATOR. Governor Marvin was re-sleeted United State from this State on the drut ballot. The Judge, will remain at home until the question of the of the Southern Standard and Representatives in

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